# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

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In the Matter of	)
WESTEL, LLC FRN No. 0023840275	WC Docket No ) File No. ITC-T/C
and	Altr.
WESTCOM, LLC FRN No. 0007594153	BANK OCT
Application for Consent to Assign Customer Base and Assets of a Company Holding an International Authorization and a Blanket Domestic Authorization pursuant to Section 214 of the Communications Act of 1934, as Amended	2014

#### JOINT APPLICATION

Westel, LLC, an Idaho limited liability company ("Westel"), and WestCom, LLC, an Idaho limited liability company ("WestCom"), (collectively, the "Applicants") request such authority as may be necessary and required from the Federal Communications Commission ("Commission") to assign and/or transfer control of WestCom's customer base and assets associated with its domestic and international telecommunications services operations to Westel, including WestCom's Global Resale Section 214 Authority (ITC-214-20021030-00519) and blanket domestic Section 214 authorization (FCC Filer ID 822688). This application is filed pursuant to Section 214 of the Communications Act of 1934, as amended (the "Act"), 47 U.S.C.



Amendment of Parts 1 and 63 of the Commission's Rules, 22 FCC 11398, ¶ 38 (2007) (indicating that asset acquisitions should be treated under the Commission's international Section 214 rules); Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, 17 FCC Red 5517, ¶ 59 (2002) (finding that asset acquisitions should be treated as transfers of control under the Commission's domestic Section 214 rules).

§ 214, and Sections 1.763, 63.03, 63.04, 63.18 and 63.24(e) of the Commission's rules, 47 U.S.C. § § 1.763, 63.03, 63.04, 63.18 and 63.24(e).

WestCom currently offers its customers in the southern portion of the state of Idaho facilities based local exchange services, intra-exchange private lines, frame relay services and ISDN services to subdivisions over a fiber optic network.

Pursuant to that certain Asset Purchase Agreement dated July 15, 2014 (the "Agreement"), by and between Westel and WestCom, upon the closing of the acquisition Westel will acquire the customer base and assets of WestCom and continue to provide substantially the same or improved telecommunications services to the same customers in the same geographical area in accordance with the rates, terms and conditions in effect prior to the closing. Accordingly, this transaction is not expected to have an effect on the rates, terms and conditions of services currently provided to the customers of WestCom. Furthermore, the same persons who provided operational support, operational infrastructure, inventory management and billing support for WestCom will continue to provide these services for Westel.

Upon the grant of this Application and the closing of the acquisition, WestCom will relinquish/assign its domestic Section 214 and Global Resale Section 214 Authority to Westel.

#### I. REQUEST FOR STREAMLINED TREATMENT OF APPLICATION

Under Section 63.04(b) of the Commission's rules, Applicants are filing a combined domestic and international application for the assignment and/or transfer of control of WestCom's assets and customer base to Westel. Applicants request streamlined treatment pursuant to Sections 63.03 and 63.12 of the Commission's rules.

This Application qualifies for streamlined processing pursuant to Section 63.03(b)(2) because: (1) the proposed transaction will result in Westel having a market share in the interstate

interexchange market of less than ten percent (10%); (2) Westel will provide competitive internet and telephone exchange services exclusively in geographical areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.

This Application also qualifies for streamlined treatment under Section 63.12 of the Commission's rules because: (1) Westel is not affiliated with any foreign carrier; (2) as a result of the transaction, Westel will not be affiliated with any foreign carrier; and (3) none of the other scenarios outline in Section 63.12(c) of the Commission's rules apply.

#### II. APPLICANTS

#### A. WestCom, LLC (FRN: 0007594153)

WestCom is an Idaho limited liability company doing business as Westel Fiber with principal offices located at 1450 Eagle Flight Way, Suite 200, Boise, Idaho 83709. WestCom has authority to provide interstate and international telecommunications services.<sup>2</sup> WestCom is a competitive local exchange carrier providing facilities-based local exchange services, intra-exchange private lines, frame relay services, and ISDN services to subdivision residents over a fiber optic network. WestCom provides services in the portion of CenturyLink's (formally Qwest) service area in southern Idaho.

#### B. Westel, LLC (FRN: 0023840275)

Westel is an Idaho limited liability company with principal offices located at 1450 Eagle Flight Way, Suite 200, Boise, Idaho 83709. Westel is seeking to acquire WestCom's authority to provide interstate and international telecommunication services. Upon obtaining the

<sup>&</sup>lt;sup>2</sup> IB File No. ITC-214-20021030-00519, FCC Filer ID 822688

Commission's approval and consent to acquire WestCom's assets and customer base, including WestCom's domestic and international Section 214 Authorization, Westel will be a competitive local exchange carrier providing substantially the same services in the same geographical area to the same customers under the same assumed business name ("Westel Fiber").

#### III. DESCRIPTION OF TRANSACTION

On July 15, 2014, WestCom and Westel entered into the Agreement pursuant to which Westel agreed to purchase the customer base and substantially all of the assets, properties and rights of WestCom used by or in connection with, related to, useful to or produced by the business of providing residential communities with telecommunications via fiber optic technologies, including, but not exclusively, equipment, furniture, fixtures, contracts, inventory, licenses, intellectual property, accounts receivable, etc. (the "Transaction"). Excepting specific, limited liabilities identified in the Agreement (future liabilities incurred after the closing of the Transaction and taxes, fees, or other expenses incurred in connection with the consummation of the Transaction), Westel has not agreed to acquire any of WestCom's liabilities.

The Transaction involves all of WestCom's residential customers currently receiving services from WestCom in southern Idaho. All customers will receive notice of the Transaction as necessary under the Commission's and any applicable state customer notification requirements. Consummation of the Transaction is contingent upon, among other things, receipt of all requisite approvals by applicable governmental entities. Upon the Commission's approval of this Application and immediately upon the consummation of the Transaction, WestCom's current customers will be served by Westel, and WestCom will cease to provide telecommunication services. The Applicants emphasize that following the consummation of the proposed Transaction, WestCom's customers will continue to receive services under the same or

improved rates, terms and conditions of services those customers currently receive. There should not be any interruption or disruption of service to customers, and the assignment of assets to Westel is anticipated to be seamless and transparent to customers.

#### IV. PUBLIC INTEREST STATEMENT

The proposed Transaction furthers the public interest, convenience and necessity.

Approval of the Transaction is in the public interest by ensuring that WestCom's customer will continue to receive high-quality telecommunications services. The assignment of WestCom's assets in concert with the assignment of its customer base will ensure that its customers receive uninterrupted telecommunication services.

The assignment of assets to Westel will be conducted in a manner that is expected to be seamless and transparent; the Transaction should not cause confusion to WestCom's existing customers as the rates, terms and conditions of service will not materially change as a result of the Transaction. Applicants will also provide advance written notice of the Transaction to current customers as required of Section 64.1120(e) of the Commission's rules and applicable state customer notice requirements.

Finally, the proposed Transaction does not present any anticompetitive issues. After the consummation of the Transaction, Westel's total share of the interstate interexchange market will be less than ten percent (10%).

### V. INFORMATION REQUIRED UNDER § 63.24(E) OF THE COMMISSION RULES

In support of this Application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's rules.

### A. Name, address and telephone number

#### Assignor:

WestCom, LLC dba Westel Fiber 1450 S. Eagle Flight Way Boise, ID 83709 Telephone: (208) 472-8800

### Assignee:

Westel, LLC dba Westel Fiber 1450 S. Eagle Flight Way Boise, ID 83709 Telephone: (855) 592-8800

#### B. Citizenship

WestCom is an Idaho limited liability company. Westel is an Idaho limited liability company.

# C. Correspondence concerning this Application should be sent to (Answer to IBFS Main Form Question 10):

T	** / /	~
FOR	West	Com

For Westel

WestCom, LLC dba Westel Fiber 1450 S. Eagle Flight Way Boise, ID 83709 Westel, LLC dba Westel Fiber 1450 S. Eagle Flight Way Boise, ID 83709

### D. International Section 214 Authorizations (Answer to IBFS Main Form Question 10):

WestCom holds blanket domestic Section 214 Authority (FCC Filer ID 822688) and international Section 214 Global Resale Authority (IB File No. ITC-214-20021030-00519). Westel does not currently hold either a domestic or international Section 214 Authorization. It is intended that Westel will acquire WestCom's domestic and international Section 214 Authority.

# E. Ten Percent Greater Interest Holders/Interlocking Directorates (Answer to IBFS Main Form Question 11 and 12):

The following entities and individuals hold a ten percent (10%) or greater director or indirect ownership interest in Westel:

Involta, LLC. Involta, LLC, an Iowa limited liability company, owns one hundred percent (100%) of the membership interests in Westel. Involta, LLC's mailing address is PO Box 1986, Cedar Rapids, IA 52406 and its principal offices in Idaho are located at 1450 Eagle Flight Way, Boise, ID 83709.

Other than as stated in this Application, no other person or entity owns a ten percent (10%) or greater direct or indirect ownership interest in Westel.

# F. Foreign Carrier Affiliation Certification (Answer to IBFS Main Form Questions 14-17)

Westel certifies that it is not a foreign carrier, that it is not affiliated with a foreign carrier as defined in the Commission's rules, and that it will not become affiliated with a foreign carrier as a result of this Transaction.

### G. Foreign Carrier and Destination Countries (Answer to IBFS Main Form Questions 14-17)

As evidenced by the signatures to this Application, Westel certifies that upon consummation of the Transaction it will not provide international telecommunications services to any destination country in which: (1) Westel is a foreign carrier in the destination market; (2) Westel controls a foreign carrier in the destination market; (3) any entity that owns more than twenty-five percent (25%) of Westel, or controls Westel, controls a foreign carrier in the destination market; and (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than twenty-five percent (25%) of Westel and are parties to, or the

beneficiaries of, a contractual relationship affecting the provision or marketing of international basic telecommunications services in the United States.

# H. WTO Membership of Destination Countries (Answer to IBFS Main Form Questions 14-17)

Not applicable.

# I. International Telecommunications Services (Answer to IBFS Main Form Questions 14-17)

Westel will not resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to a country where it is a foreign carrier or is affiliated with a foreign carrier.

# J. Non-dominant Regulatory Classification (Answer to IBFS Main Form Questions 14-17).

Not applicable.

### K. Special Concessions Certification (Answer to IBFS Main Form Question 21).

As evidenced by the signatures to this Application, Westel has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to adversely affect competition in the U.S. market, and will not enter into such agreements in the future.

# L. Federal Benefits/Anti-Drug Act of 1988 Certification (Answer to IBFS Main Form Question 25).

As evidenced by the signatures to this Application, the Applicants certify pursuant to Sections 1.2001 through 1.2003 of the Commission's rules that they are not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. 21 U.S.C. § 862.

### M. Eligibility for Streamlined Processing (Answer to IBFS Main Form Question 20).

Applicants request streamlined processing of this Application pursuant to Section 63.12 of the Commission's rules, 47 C.F.R. § 63.12, for the reasons set forth above.

### VI. INFORMATION REQUIRED BY SECTION 63.04(B) OF THE COMMISSION'S RULES

In accordance with the requirements of Section 63.04(b) of the Commission's rules, the additional information required by Section 63.04(b) of the Commission's rules for transfer of control of assets is provided in Exhibit A attached hereto.

#### VII. CONCLUSION

Based on the foregoing, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

[SIGNATURES TO FOLLOW]

Respectfully submitted,

WESTCOM, LLC, an Idaho limited liability company

By: Name: Richard Craig Groves

Title: Authorized Member
Date: August 6, 2014

WESTEL, LLC an Idaho limited liability company

By: (2) Name:

Randall Rings

Date: Secretary

#### **EXHIBIT A**

In accordance with the requirements of Section 63.04(b) of the Commission's rules, the Applicants provide the following information in support of their request for approval of the Transaction.

### 63.04(a)(6): Description of the Transaction

The Transaction is described in Section 4 of the Application.

#### 63.04(a)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is described in Section 1 of the Application.

### 63.04(a)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's rules because: (1) the proposed Transaction will result in Westel having a market share in the interstate interexchange market of less than ten percent (10%); (2) Westel will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the Transaction; and (3) neither the Applicants nor any of their affiliates are regulated as dominant with respect to any service.

### 63.04(a)(9): Other Pending Commission Applications Concerning the Proposed Transaction

None.

63.04(a)(10): Special Considerations

None.

63.04(a)(11): Waiver Requests (If Any)

None.

#### 63.04(a)(12): Public Interest Statement

The Transaction is in the public interest for the reasons detailed in Section 5 of the Application.

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WESTEL, LLC FRN No. 0023840275	) WC Docket No ) File No. ITC- ASG-20140811- 00241
and	(
WESTCOM, LLC FRN No. 0007594153	
Application for Consent to Assign Customer Base and Assets of a Company Holding an International Authorization and a Blanket Domestic Authorization pursuant to Section 214 of the Communications Act of 1934, as Amended	

### AMENDMENT TO JOINT APPLICATION

Pursuant to 47 C.F.R. § 63.50, Westel, LLC, an Idaho limited liability company ("Westel"), and WestCom, LLC, an Idaho limited liability company ("WestCom"), (collectively, the "Applicants") hereby amend their pending application ("Application")<sup>1</sup>, to include additional information concerning Westel's indirect ownership. This amendment relates to information provided in response to IBFS Main Form Questions 11 and 12.

Accordingly, Section V(E) of the Application is hereby deleted in its entirety and replaced with the following:

E. Ten Percent Greater Interest Holders/Interlocking Directorates (Answer to IBFS Main Form Question 11 and 12):

Involta, LLC, an Iowa limited liability company ("Involta"), owns one hundred percent (100%) of the equity of Westel. Involta's

<sup>&</sup>lt;sup>1</sup> See Application for Consent to Assign Customer Base and Assets of a Company Holding an International Authorization and a Blanket Domestic Authorization pursuant to Section 214 of the Communications Act of 1934, as Amended, File No. ITC-ASG-20140811-00241.

mailing address is PO Box 1986, Cedar Rapids, IA 52406 and its principal offices in Idaho are located at 1450 Eagle Flight Way, Boise, ID 83709. No person or entity directly or indirectly owns or controls at least ten percent (10%) of the equity of Westel or Involta, other than the following entities:

- (1) M/C Partners VIII, L.P. ("MC"), a Delaware limited partnership with its principal office in Massachusetts, owns 26.8% of the equity of Involta (and indirectly Westel), but
- (A) no person or entity who either directly or indirectly holds any ownership interest in MC also owns at least ten percent (10%) of the equity of Westel or Involta; and,
- (B) no person or entity who either directly or indirectly controls MC also owns at least ten percent (10%) of the equity of Westel or Involta;
- (2) GTB Capital Partners II LP ("GTB"), a Delaware limited partnership and U.S.-owned Morgan Stanley affiliate, with its primary office in West Conshohocken, PA owns 14.6% of the equity of Involta (and indirectly Westel) but
- (A) one limited partner, Los Angeles County Employees Retirement Association, a California public pension fund ("PPF") locatedin Los Angeles, CA, indirectly owns 14.5% of Involta but, no other person or entity directly or indirectly owning equity of GTB either directly or indirectly owns at least ten percent (10%) of the equity of Westel or Involta; and,
- (B) no person or entity who either directly or indirectly controls GTB also owns at least ten percent (10%) of the equity of Westel or Involta;
- (3) with respect to PFF,
- (A) no person or entity directly or indirectly owning an interest in PPF either directly or indirectly owns at least ten percent (10%) of the equity of Westel or Involta; and
- (B) no person or entity who either directly or indirectly controls PFF also owns at least ten percent (10%) of the equity of Westel or Involta or Involta; and,
- (4) Technology Resource Company ("TRC"), an Iowa corporation with its principal office in Iowa, owns 12.2% of the equity of Involta (and indirectly Westel), but
- (A) no person or entity who either directly or indirectly holds any ownership interest in TRC also owns at least ten percent (10%) of the equity of Westel or Involta; and,
- (B) no person or entity who either directly or indirectly controls TRC also owns at least ten percent (10%) of the equity of Westel or Involta

The address and contact information for MC is: M/C Partners, c/o Edward Keefe, CFO, 75 State Street, Suite 2500, Boston, MA 02109. The address and contact information for GTB and PPF is: Morgan Stanley Alternative Investment Partners, AIP, c/o Stephanie Girshovich, Vice President, 100 Front Street, 4th Floor, West Conshohocken, PA 19428. The address and contact information for TRC is: Involta, LLC, c/o Jeff Quint, CFO, P.O. Box 1986, Cedar Rapids, IA 52406.

To the best of the knowledge, belief and information of Westel, except for the ownership as stated above, no other entity or individual person owns or controls a ten percent (10%) or greater direct or indirect ownership interest in Involta or Westel.

All remaining information provided in the Application remains unchanged.

With this amendment, Applicants respectfully request that the Commission expeditiously grant the amended Application pursuant to streamlined processing.

Respectfully submitted,

WESTCOM, LLC, an Idaho limited liability company

By: Richard Craig Groves
Title: Authorized Member
Date: 9-29-2014

WESTEL, LLC an Idaho limited liability company

By: Dodall Rings

Its: Secretary
Date: 10-8-14